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Division of Integrated Regional Water Management

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SUBJECT:

PROPOSITION 84 INTEGRATED REGIONAL WATER

MANAGEMENT IMPLEMENTATION GRANT ROUND 2 DRAFT

FUNDING RECOMMENDATIONS

Dear Mr. Wallace:

On behalf of the East Contra Costa County (ECCC) Integrated Regional Water Management (IRWM) region, the Contra Costa Water District (CCWD) would like to thank the Department of Water Resources (DWR) for hosting a public meeting and open house on October 7, 2013 seeking comments on the Proposition 84 IRWM Implementation Grant Round 2 Draft Funding Recommendations. Overall the ECCC IRWM region appears to have scored high enough to justify funding when compared to other regions. The Round 2 ECCC IRWM proposal could have scored higher if DWR had included the indirect project benefits that appear to have been largely excluded. The ECCC comments are provided in detail below.

- 1. DWR advised that they adjusted the grant amounts available for each funding area after the grants were submitted based on total scores received. This resulted in the Los Angeles-Ventura Funding Area receiving approximately \$44 million when only an anticipated maximum of \$31 million was indicated to be available. The San Joaquin River funding area was allocated \$8.3 million but only received grant funding of \$7.7 million. Changing the available grant amounts within each funding area without advising the participants in the program is inequitable for those who are trying to judge how much funding to request relative to the amount of funding available.
- 2. Thus far the ECCC IRWM region has not received funding in either Round 1 or Round 2 of the Proposition 84 Implementation grant program, with the exception of DAC-related projects located in the overlap area associated with the Bay Area IRWM region. Yet the ECCC scoring appears to be high enough to justify funding.
- 3. In both Rounds 1 and 2, the ECCC IRWM region's proposal had a score that was above other IRWM regions that did receive funding. In Round 1, the ECCC IRWM region had a score of 52 and there were 5 regions with scores of 52 or less that did receive funding. In Round 2, the ECCC IRWM region had a score of 54 and there were 6 regions with scores less than 54 that received funding. This approach appears inconsistent with the concept

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stated by DWR at the October 7 meeting to provide funding amounts for those projects with the highest overall scores. Hence projects with the very highest scores received full funding despite funding area allocations/limitation and those projects with acceptable scores in certain areas were denied funding. This approach appears arbitrary and inconsistent with the very detailed program used by funding areas to present grant applications.

- 4. While we recognize that the allocations for each funding region are legislatively defined, the ECCC IRWM region is in the highly competitive San Joaquin Funding Area. In both Round 1 and 2, our region has consistently been the highest scoring region *throughout the state* to not receive funding. This approach adversely impacts collaboration within our region, particularly for our smaller agencies with limited resources.
- 5. The ECCC region met extensively to consider the integration of projects, which is generally an overarching objective of the IRWM program. In fact, the first two program preferences listed in the 2012 IRWM Guidelines are as follows:
 - Include regional projects or programs
 - Effectively integrate water management programs and projects within a hydrologic region

The ECCC region strove to achieve these preferences by developing the Integrated Regional Flood Projection and Water Quality Improvement Borrow Area, a project that not only directly benefits two of the ECCC agencies (the County and Contra Costa Water District), but also has a nexus to the DWR Dutch Slough Tidal Marsh Restoration Project. This latter project is a cooperative partnership between the DWR, CALFED, State Coastal Conservancy, landowners, Natural Heritage Institute, City of Oakley, Ironhouse Sanitary District, and private consultants. However, DWR stated during the public meeting on October 7 that the integration of projects did not directly translate into additional points in the evaluation of the proposals. DWR also scored this project lower as indicated in the Technical Justification section of the Proposal Evaluation for the Round 2 Implementation grant funding claiming the benefits from this integrated project are not valid. CCWD strongly disagrees with this assessment.

Thank you again for the opportunity to provide comments on the funding recommendations.

Sincerely,

Mark Seedall Principal Planner

Jah Leedall

MS/MV:rlr/wec

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